

UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA
SAN JOSE DIVISION

11	DCG SYSTEMS, INC.,)	Case No.: C 11-03792 PSG
12	v.)	ORDER GRANTING DEFENDANT'S
13	CHECKPOINT TECHNOLOGIES, LLC,)	MOTION TO COMPEL
14	Defendant.)	(Re: Docket No. 109)
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In this patent infringement suit, Defendant Checkpoint Technologies, LLC (“Checkpoint”) moves to compel a further response to interrogatory no. 7.¹ Plaintiff DCG Systems, Inc. (“DCG”) opposes the motion. On September 4, 2012, the parties appeared for hearing. Having reviewed the papers and considered the arguments of counsel, the court GRANTS Checkpoint’s motion to compel.

Interrogatory no. 7 asks DCG to describe the circumstances under which DCG first became aware of each piece of prior art identified by Checkpoint.²

¹ Checkpoint’s motion to compel originally sought to compel further responses to interrogatory nos. 4, 5, 7, 8 and 9. At the hearing, however, Checkpoint stated that it was satisfied with the supplemental responses that it had received for all of the interrogatories except for no. 7.

² Interrogatory No. 7: Separately for each piece of prior art identified in Checkpoint’s invalidity contentions, describe in detail the circumstances under which DCG first became aware of the piece of prior art, including the identity of the person or persons involved, the date, and how the person became aware of the art.

1 Checkpoint contends that DCG must further respond to interrogatory no. 7 because the
2 additional information sought is relevant to Checkpoint's inequitable conduct defense. While
3 acknowledging it has yet actually to assert the defense, Checkpoint maintains that it should
4 nevertheless be able to obtain related discovery. Checkpoint believes that individuals involved in
5 the prosecution of the asserted patents withheld from the USPTO certain material, non-cumulative
6 information.

7 DCG does not dispute that the information sought in interrogatory no. 7 is discoverable
8 even in the absence of a currently pleaded inequitable conduct defense, but responds that all
9 responsive information from any DCG inventors currently employed there has been included in its
10 supplemental response. DCG's problem is with Checkpoint's insistence that DCG include
11 information from four formerly employed DCG inventors. While DCG freely admits that it is
12 paying its outside counsel to represent the former employees in their personal capacity, DCG
13 claims that they are separately represented and their communications with outside counsel are
14 privileged or otherwise protected from disclosure.

15 "In situations such as this where a former employee is represented by counsel for a
16 defendant corporation for the purpose of testifying at a deposition at no cost to him, courts have not
17 treated the former employee as having an independent right to the privilege, even where that
18 employee believes that he is being represented by that counsel."³ To the extent that counsel's
19 communications with a former employee are protected by the attorney-client privilege, the
20 privilege thus belongs to the corporation.⁴ Here, any asserted privilege by former DCG employees
21 regarding the corporation's knowledge of prior art thus belongs to DCG, not to the individuals.

22 ³ *Gary Friedrich Enterprises, LLC v. Marvel Enterprises, Inc., et al.*, No. 08 Civ. 1533 (BSJ)(JCF),
23 2011 WL 2020586, at *3 (S.D.N.Y. May 20, 2011) (citing *Wade Williams Distribution, Inc. v.*
24 *American Broadcasting Companies, Inc.*, No. 00 Civ. 5002, 2004 WL 1487702, at *1 & n. 2
(S.D.N.Y. June 30, 2004) ("The mere volunteered representation by corporate counsel of a former
25 employee should not be allowed to shield information from which there is no independent basis for
including within the attorney-client privilege."); *Gioe v. AT&T Inc.*, No. 09 CV 4545, 2010 WL
26 3780701, at *1-2 & n.1 (E.D.N.Y. Sept. 20, 2010) (applying only corporate defendant's attorney-
client privilege although "counsel for Defendant also represents the former employee, at least for
purposes of his deposition").

27 ⁴ See id. See also *United States v. Chen*, 99 F.3d 1495, 1502 (9th Cir. 1996) (holding that former
28 employee of corporation cannot waive privilege because it belongs to the corporation).

1 Because the parties agree that the discovery sought in response to interrogatory no. 7 is otherwise
2 discoverable,⁵ and no other applicable privilege would otherwise apply, DCG's supplemental
3 response must include information from DCG's former employees as well. No later than October
4 26, 2012, DCG shall serve a supplemental response to interrogatory no. 7 including information
5 from both DCG's current and former employees.

6 **IT IS SO ORDERED.**

7 Dated: 10/17/2012



8 PAUL S. GREWAL
9 United States Magistrate Judge

25 ⁵ See *In re ATM Fee Antitrust Litigation*, 233 F.R.D. 542, 545 (N.D. Cal. 2005) ("Rule 33 requires
26 that a corporation furnish such information as is available from the corporation itself or from other
27 sources under its control"); *Vasudevan Software, Inc. v. Intern'l Business Machines Corp.*, No. C
28 09-5897 PSG, 2011 WL 1599646, at *2-3 (N.D. Cal. Apr. 27, 2011) (granting accused infringer's
motion to compel patentee to provide actual dates and circumstances of when it learned of the prior
art and rejecting objection based on attorney-client privilege).